

Message Text

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ACTION AF-06

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O R 261604Z JUN 75

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC IMMEDIATE 9939

INFO AMEMBASSY BRUSSELS

LIMITED OFFICIAL USE SECTION 1 OF 2 LAGOS 6096

PASS USIA/IAA FOR DAWSON

PASS AID, FAA, FAS/USDA

BRUSSELS FOR FAA

E.O. 11652: N/A

TAGS: AFSP, PFOR, NI

SUBJECT: FMG REQUISITION OF EMBASSY ANNEX

REF: STATE 145955, STATE 142398 AND PREVIOUS

1. SUMMARY: AMBASSADOR MET WITH IYALLA JUNE 24, MADE PRESENTATION ENVISIONED REFTELS, AND DELIVERED THIRD PERSON NOTE FORMALIZING U.S.G. POSITION. CITING EMBASSY'S NEED FOR QUARTERS AFTER EXPIRATION OF MOLONEY CONTRACT IN DECEMBER 1976, IYALLA INDICATED THAT IF IDEA OF FMG PAYMENTS FOR COST OF MOVE FROM MOLONEY STREET WERE DROPPED, FMG MIGHT BE WILLING TO EXTEND OUR USE OF OKOTIE-EBOH UNTIL COMPLETION OF NEW EMBASSY CHANCERY. IYALLA ONCE AGAIN CHASTISED EMBASSY FOR HAVING IGNORED LONG-EXPRESSED FMG DESIRES, AND POINTED TO FMG BROWNIE POINT FOR HAVING ALLOWED EMBASSY TO PROCEED WITH DEVELOPMENT OF CHANCERY SITE DESPITE FACT THAT LAND WAS FORFEITED UNDER TERMS OF LIMITED OFFICIAL USE

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LAW. IYALLA EMPHASIZED NEED FOR QUICK ACTION AND ASKED

FOR CONCRETE ESTIMATE ON TIME REQUIRED THEREFORE. AMBASSADOR CITED DIFFICULTIES IN MOVING BEFORE NEW QUARTERS COULD BE ADEQUATELY PREPARED, INCLUDING POSSIBLE NEW CONSTRUCTION. HE SAID EMBASSY WOULD ENDEAVOR PROVIDE FMG WITHIN ONE WEEK WITH AN ESTIMATE OF PREPARATORY WORK NECESSARY PRIOR TO MOVING. WE MIGHT NEED MEA ASSISTANCE IN EXPEDITING ARRANGEMENTS FOR BUILDING PERMITS, ELECTRICITY, ETC. EMBASSY WOULD QUERY WASHINGTON ON PAYMENT ISSUE BUT IF ANY PROGRESS WERE TO BE MADE ON THAT FRONT WASHINGTON WAS SURE TO WANT WRITTEN COMMITMENT THAT OKOTIE-EBOH WOULD BE AVAILABLE UNTIL COMPLETION OF NEW CHANCERY. END SUMMARY

2. AMBASSADOR'S SCHEDULED JUNE 24 MEETING WITH COMMISSIONER FOR WORKS AND HOUSING, BRIGADIER OBASANJO, WAS SHIFTED AT LAST MINUTE TO MEETING WITH MEA PERMSEC IYALLA IN IYALLA'S OFFICE. ALSO PRESENT WERE CHIEF OF PROTOCOL IHAMA, PROTOCOL OFFICER MGBOKWERE, IYALLA'S SPECIAL ASSISTANT SAGAY, DCM CROSBY AND ADMINISTRATIVE COUNSELOR PIPER. AMBASSADOR OPENED MEETING WITH STATEMENT THAT EMBASSY WISHES TO COOPERATE WITH FMG BUT HAS PRACTICAL PROBLEMS OF SPACE, TIMING, PREPARATIO AND POSSIBLE CONSTRUCTION OF QUARTERS, AND FINANCING. AMBASSADOR GAVE IYALLA DIPLOMAPIC NOTE (COPY BEING SENT BY AIRGRAM) COVERING ABOVE POINTS AND CALLING FOR MOVE TO BE AT FMG EXPENSE AND ON REASONABLE TIME SCHEDULE.

3. IYALLA AND STAFF READ NOTE CAREFULLY. IYALLA THEN REITERATED IMPORTANCE FMG ATTACHED TO THE MATTER. HE SAID FMG WANTS TO HANDLE THE ISSUE AMICABLY BUT INSISTS MISSION MOVE OUT WITHOUT DELAY. HE DENIED THAT MOVE WOULD BE FOR EXCLUSIVE BENEFIT OF FMG, SAYING FMG NEEDS AND EMBASSY NEEDS IN FACT COMPLEMENT ONE ANOTHER. FMG WANTS THE MOLONEY BUILDING, AND EMBASSY NEEDS QUARTERS FOR THE PERIOD BETWEEN END OF MOLONEY CONTRACT IN DECEMBER 1976 AND COMPLETION OF CHANGERY. IYALLA SIA FMG INTENT HAD BEEN TO OFFER OKOTIE-EBOH ONLY FOR DURATION OF U.S. CONTRACT ON MOLONEY BUILDING (I.E. THROUGH DECEMBER 1976), NOT REPEAT NOT UNTIL COMPLETION OF CHANCERY AS BRIGADIER OBASAJA HAD SAID IN HIS LETTER TO THE AMBASSADOR JUNE 14. IYALLA WENT ON TO SAY, HOWEVER, THAT IF AGREEMENT CAN BE REACHED ON FINANCING AND OTHER POINTS, LIMITED OFFICIAL USE

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FMG WILL BE FLEXIBLE ON DURATION OF OCCUPANCY OF OKOTIE-EBOH.

4. IYALLA MAINTAINED THAT VIENNA CONVENTION NOT RELEVANT. FMG NOW OWNED THE MOLONEY STREET BUILDING, HAVING ACQUIRED IT IN ACCORDANCE WITH LOCAL LAW AND REGULATION. WHATEVER THE CONVENTION MIGHT SAY, NO SELF-RESPECTING STATE COULD PERMIT INTERNATIONAL LAW TO PREVENT IT FROM EXERCISING BASIC ATTRIBUTES OF NATIONAL SOVEREIGNTY.

5. ADDITIONAL POINTS INVOLVE RECORD OF U.S. COOPERATION IN MOVING U.S. OFFICES AND GIVING UP VARIOUS HOUSING IN PAST YEARS SHOULD BE PUT AGAINST "NEARLY TWO YEARS OF FOOT DRAGGING" ON VACATING MOLONEY AND "INEXPLICABLE" 14-YEAR USG DELAY IN DEVELOPING CHANCERY SITE FMG HAD MADE AVAILABLE. IYALLA EMPHASIZED THAT UNDER THE LAW THE U.S. CHANCERY SITE WAS FORFEITED, NOT HAVING BEEN DEVELOPED WITHIN THE PRESCRIBED TIME. FMG HAD FORECLOSED ON LIBERIAN AND OTHER EMBASSIES ON THAT BASIS BUT AS ACT OF FRIENDSHIP HAD NOT DONE SO WITH U.S.

B. IT WOULD NOT BE ACCEPTABLE TO HAVE ANY U.S. OFFICES REMAIN IN THE MOLONEY BUILDING; ALL WOULD HAVE TO LEAVE WHEN MOVE IS MADE.

C. IF EMBASSY NEEDS MORE SPACE, ADDITIONAL STRUCTURES CAN BE ERECTED ON OKOTIE-EBOH PROPERTY. ALTERNATIVELY, EMBASSY MIGHT RENT ADDITIONAL SMALLER QUARTRS, E.G., TO HOUSE THE CONSULAR SECTION.

D. FMG "DOES NOT CONSIDER IT FEASIBLE TO BEAR THE EXPENSE OF MOVING EMBASSIES FROM ONE ADDRESS TO ANOTHER," AND REQUEST IN EMBASSY'S NOTE THAT FMG FINANCE SUCH COSTS IS THEREFORE NOT ACCEPTABLE.

E. SIMILARLY, REPYMENT OF PRO-RATED PORTION OF MOLONEY RENT TO COMPENSATE FOR SMALLER OKOTIE-EBOH QUARTERS WAS "NOT IN ACCORD WITH SPIRIT OF FRIENDSHIP IN WHICH THE OFFER HAD BEEN MADE." INADEQUATE SPACE IN NEW QUARTERS CAN BE COMPENSATED BY EASUM

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ACTION AF-06

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ABF-01 AGR-05 FAA-00 DOTE-00 SSO-00 SP-02 CIAE-00

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O R 261604Z JUN 75

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC IMMEDIATE 9940
INFO AMEMBASSY BRUSSELS

LIMITED OFFICIAL USE SECTION 2 OF 2 LAGOS 6096

PASS USIA/IAA FOR DAWSON

PASS AID, FAA, FAS/USDA

BRUSSELS FOR FWA

ERECTING ADDITIONAL BUILDINGS ON OKOTIE-EBOH

OF MOLONEY VERSUS OKOTIE-EBOH SPACE, THE LATTER MIGHT
TURN OUT TO BE MORE VALUABLE, AND IT MIGHT BE THE U.S.G.
WHO SHOULD COMPENSATE THE FMG INSTEAD OF THE#

COMMRNT: IYALLA'S POINT, WHILE DOUBTLESS A FORENSIC TACTIC,
IS NOT TRIVIAL.
#

AND WE WOULD FACE TOUGH
SLEDDING IN BROKERING ANY COMPENSATION DEAL.)
F. FMG WOULD NOT CONSIDER COMPENSATING USIS FOR 1973
RENOVATION EXPENSES. AMBASSADOR SAID WE MIGHT DISCUSS SELLING
FMG THE PARTITIONS AND INTERNAL FITTINGS THAT HAD BEEN ERECTED;
OTHERWISE, WE MIGHT WANT TO TAKE THE FITTINGS WITH US. IYALLA
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SAID U.S.G. COULD TAKE ANYTHING IT NEEDED BUT HE HOPED WE
WOULD LEAVE THOSE THINGS WE DID NOT NEED AND WOULD NOT STRIP
THE BUILDING AS ONE FOREIGN POWER (FRANCE) HAD DONE IN 1958
(IN GUINEA). HE DID NOT RESPOND TO SUGGESTION OF FMG PURCHASE.

6. AMBASSADOR SAID WE WOULD REPORT OUR DISCUSSION TO WASHINGTON
BUT DID NOT SEE HOW WASHINGTON COULD ADDRESS QUESTION OF U.S.
CONCESSIONS ON PAYMENTS REQUEST WITHOUT WRITTEN ASSURANCE THAT
THE OKOTIE-EBOH PROPERTY COULD BE OCCUPIED UNTIL COMPLETION
OF OUR CHANCERY. IYALLA REPLIED THAT IF FMG IS TO AGREE TO
U.S. OCCUPANCY UNTIL THEN, IT WILL BE "IN EXCHANGE FOR DROPPING
THESE TIRESOME POINTS REGARDING PRO-RATED PAYMENTS, ETC."

7. IYALLA RECAPITULATED THAT IT IS FMG DESIRE THAT EMBASSY
MAKE EVERY EFFORT TO MOVE AS SOON AS POSSIBLE. THEY WANT
TO SEE PURPOSEFUL, DEMONSTRABLE EVIDENCE THAT U.S. IS
MOVING OUT OF MOLONEY STREET. HE SAID FMG WOULD HELP ON
BUILDING PERMITS AND FACILITATE WITH PHONE AND POWER

COMPANIES AS LONG AS IT IS CLEAR U.S. REALLY INTENDS TO MOVE. "IF WE SEE ACTUAL PLANS AND SEE YOUR PRACTICAL PROBLEMS, FMG WILL BE UNDERSTANDING."

8. AMBASSADOR REPLIED WE WOULD NEED A WEEK IN WHICH TO CHART OUT HOW TO USE THE NEW SPACE AND WHAT NECESSARY REFURBISHMENTS WOULD BE NEEDED. ONCE THIS DATA WAS IN HAND, INCLUDING COST ESTIMATES, WE WOULD SEEK WASHINGTON GUIDANCE ON HOW TO PROCEED. WE WOULD NEED ASSURANCE OF FMG COMMITMENT THAT WE CAN STAY IN OKOTIE-EBOH UNTIL COMPLETION OF THE CHANCERY. IYALLA PROMISED US A WRITTEN RESPONSE TO OUR NOTE BUT DID NOT REVEAL EXACTLY WHAT IT WOULD CONTAIN.

9. COMMENT: THIS WAS A TOUGH BARGAINING SESSION. WE MADE GOOD PROGRESS ON QUESTION OF DEADLINES, TIMING, AND NEED TO PREPARE QUARTERS ADEQUATELY BEFORE MOVING BUT WERE UNABLE MAINTAIN OUR VIEW THAT CONSULAR SECTION SHOULD BE PERMITTED REMAIN IN MOLONEY STREET QUARTERS. IT WAS APPARENT THAT IYALLA WAS ANNOYED WITH COMMISSIONER OBASANJO FOR HAVING AT OUTSET OFFERED OKOTIE-EBOH FOR ENTIRE PERIOD UNTIL COMPLETION OF OUR CHANCERY. IYALLA MADE MAXIMUM EFFORT TO WITHDRAW FROM THIS SO HE COULD USE IT AS PAWN TO FEND OFF PAYMENT OF COSTS OF MOVING, PRO-RATED COMPENSATION, ETC. OBASANJO'S GAFFE LIMITED OFFICIAL USE

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MAY INDICATE POSSIBILITY OF MORE FLEXIBILITY THAN IYALLA WAS WILLING TO CONCEDE. THEREFORE DO NOT BELIEVE WE SHOULD ACCEPT IYALLA POSITION AS IS BUT SHOULD INSIST ON APPROPRIATE QUID FOR SPEEDY RELINQUISHMENT OF MOLONEY ANNEX.

10. RE COSTS INVOLVED, BELIEVE WE SHOULD DROP CALL FOR PRO-RATED COMPENSATION FOR PREPAID RENT, AS FMG WILL HOLD UPPER HAND IN ESTIMATING VALUE OF OKOTIE-EBOH PROPERTY, PARTICULARLY IN LIGHT OF TODAY'S SKYROCKETING RENTAL COSTS. WE BELIEVE USIS CALL FOR PRO-RATED COMPENSATION OF MOLONEY STREET REFURBISHMENT COSTS IS LEGITIMATE AND WORTH REITERATION, BUT AGAIN WE ESTIMATE THAT THE CHANCES OF SUCCESS ARE SLIM. REGARDING THE COSTS OF THE ACTUAL MOVE, THE PURCHASE AND INSTALLATION OF EQUIPMENT, AND ANY NECESSARY CONSTRUCTION, WE PROPOSE TO WORK UP ESTIMATES AND PRESS FOR FMG COMPENSATION. IYALLA WILL PROBABLY ARGUE IT IS NOT LOGICAL FOR FMG TO FINANCE THESE COSTS SINCE EMBASSY WOULD HAVE HAD TO PAY SUCH COSTS UPON EXPIRATION OF MOLONEY STREET LEASE IN ANY EVENT. THIS POSITION IS OBVIOUSLY PREDICATED ON ASSUMPTION THAT WE WILL REMAIN IN OKOTIE-EBOH UNTIL CHANCERY IS CONSTRUCTED; OTHERWISE TWO MOVES WOULD BE INVOLVED, AND IYALLA'S POTENTIAL ARGUMENT SPIKED. BELIEVE WE SHOULD ARGUE THAT COSTS OF MOVE COULD BE BORNE BY U.S.G. ONLY IF OKOTIE-EBOH IS MADE AVAILABLE RENT-FREE FROM END OF MOLONEY CONTRACT UNTIL CHANCERY IS CONSTRUCTED AND READY FOR OCCUPANCY. THIS

WOULD PROVIDE AT LEAST SOME COMPENSATION FOR INCONVENIENCE
AND DISRUPTION OCCASIONED BY FORCED MOVE.

11. EVEN MORE DESIRABLE WOULD BE FMG GRANTING U.S. TITLE
TO LOT 14A NEXT TO CHANCERY SITE ON VISTORIA ISLAND
(PARA 5, LAGOS 5733) IN EXCHANGE FOR U.S. AGREEMENT TO
COVER COSTS OF ANNEX MOVE. WE PROPOSE TO TRY THIS ON
IYALLA AGAIN, BUT UNDERSTAND HE HAS TERMED THIS SUGGESTION
"UNHELPFUL".

12. WOULD APPRECIATE WASHINGTON VIEWS.
EASUM

NOTE BY OCT: LAGOS 6096/2 #OMISSIONS.
CORRECTION TO FOLLOW.
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